

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS AND LABOR

Call to Order: By **VICE CHAIRMAN DONALD STEINBEISSER**, on March 7, 2003 at 10:00 A.M., in Room 172 Capitol.

ROLL CALL

Members Present:

Rep. Jim Keane, Vice Chairman (D)
Rep. Donald Steinbeisser, Vice Chairman (R)
Rep. Bob Bergren (D)
Rep. Rod Bitney (R)
Rep. Sylvia Bookout-Reinicke (R)
Rep. Nancy Fritz (D)
Rep. Dave Gallik (D)
Rep. Kathleen Galvin-Halcro (D)
Rep. Ray Hawk (R)
Rep. Bob Lawson (R)
Rep. Rick Maedje (R)
Rep. Gary Matthews (D)
Rep. Scott Mendenhall (R)
Rep. Penny Morgan (R)
Rep. Allen Rome (R)
Rep. Sandy Weiss (D)
Rep. Bill Wilson (D)

Members Excused: Rep. Joe McKenney, Chairman (R)

Members Absent: None.

Staff Present: Pamela Schindler, Committee Secretary
Bart Campbell, Legislative Branch

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed. The time stamp for these minutes appears at the end of the content it refers to.

Committee Business Summary:

Hearing & Date Posted: SB 21, 2/28/2003
Executive Action: SB 21-Be Concurred In, Place on
Consent Calendar

HEARING ON SB 21

Sponsor: SEN. WALTER MCNUTT, SD 50, Sidney, Montana

Opening Statement by Sponsor:

SEN. MCNUTT opened the hearing on SB 21 by stating that this bill was brought forth at the request of the Montana State Department of Administration, Division of Banking and Financial Institutions. This is a housekeeping bill and one that will change MCA 32-21-1.

Proponents' Testimony:

Annie Goodwin, State of Montana Department of Administration, Banking Division, appeared before the Committee in support of SB 21. The changes to the MCA that this bill will amend are included in the bill as:

- 1) Page 1, Section 1, 32-1-335
- 2) Pages 1 and 2, Section 2, 32-1-370
- 3) Pages 2 and 3, Section 3, 32-1-402
- 4) Pages 3 and 4, Section 4, 32-1-412
- 5) Pages 4 and 5, Section 4, 32-1-423

EXHIBIT (buh48a01)

{Tape: 1; Side: A; Approx. Time Counter: 0 - 142}

John Cadby, Montana Bankers Association, rose in support of SB 21.

{Tape: 1; Side: A; Approx. Time Counter: 142 - 150}

Keith Colbo, Montana Independent Bankers Association, rose in support of SB 21.

{Tape: 1; Side: A; Approx. Time Counter: 150 - 163}

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

REPS. GALLIK, BOOKOUT-REINICKE, and MAEDJE questioned the sponsor about deleting Section 1, relating to the imposed-fine language, the information about the banks being made public as to liquidity, quarterly reports, examination reports and an explanation of the "Camel Rating" by Ms. Goodwin.

{Tape: 1; Side: A; Approx. Time Counter: 163 - 239}

Closing by Sponsor:

SEN. MCNUTT explained to the Committee that the Examiner's Report of the various banks are taken very seriously. If a bank does not comply with the report, there could be a "cease and desist" order placed upon that bank. **SEN. MCNUTT** also stated that this bill passed the Senate with a 50-0 vote.

{Tape: 1; Side: A; Approx. Time Counter: 239 - 275}

EXECUTIVE ACTION ON SB 21

Motion: **REP. MORGAN** moved that SB 21 BE CONCURRED IN.

Discussion:

REP. GALLIK questioned whether Section 1, Line 1-23, should be amended.

Motion: **REP. GALLIK** moved that SB 21 BE AMENDED.

Discussion:

REPS. STEINBEISSER, BOOKOUT-REINICKE and KEANE questioned Ms. Goodwin about the impact of a forfeiture of money from the Federal Reserve system. They also stated that **REPS. KEANE AND STEINBEISSER** will oppose the amendment.

Vote: Motion that SB 21 BE AMENDED failed 1-17 with **REP. GALLIK** voting aye. (roll call vote)

Vote: Motion that SB 21 BE CONCURRED IN carried unanimously. (voice vote)

Motion/Vote: Motion that SB 21 BE PLACED ON THE CONSENT CALENDAR carried unanimously. (voice vote)

{Tape: 1; Side: A; Approx. Time Counter: 275 - 500}

ADJOURNMENT

Adjournment: 10:36 A.M.

REP. JOE MCKENNEY, Chairman

PAMELA SCHINDLER, Secretary

JM/PS

EXHIBIT (buh48aad)